

Influence Theory Fraud Hexagon Against Fraudulent Financial Reporting (Empirical study on companies included in the 27 business indexes listed on the Indonesian Stock Exchange in 2018-2022)

Amarullah¹, Sri Wineh², Gita Suliska³, Rd Ade Tribuana Anjaya⁴

¹ Program Studi Akuntansi, Fakultas Ekonomi, Universitas Muara Bungo, Indonesia

Email: Rullahamar83@gmail.com

Entere : January 29, 2025
Accepted: February 08, 2025

Revised : February 02, 2025
Published : February 24, 2025

ABSTRACT

This study aims to determine the effect of Fraud Hexagon on Fraudulent financial statements. The Independent variables used in this study are Stimulus Opportunity, Rationalization, Capability, Ego, and Collusion, in this study, Financial Report Fraud is measured using the Beneish M-Score. The population used in this study are companies included in the Business Index 27 Listed on the Indonesia Stock Exchange (IDX) during The 2018-2022 period. The sampling method, the samples obtained were 11 companies. The data in the form of financial reports. Data analysis uses logistic regression analysis with the help of software SPSS 29. The Result of this study indicate that the Stimulus, Opportunity, Rationalization, Capability and Collusion variabel do Not affect Fraudulent Financial Reporting, While the Ego Variabel affect Fraudulent Financial Reporting.

Keywords: Stimulus, Opportunity, Rationalization, Capability, Ego, Collusion dan Fraudulent Financial Reporting

INTRODUCTION

According to the Association of Certified Fraud Examiners (ACFE), fraud is an unlawful act that is carried out intentionally for a specific purpose, such as manipulating or giving false reports to other parties. Auditing Standard NO.99 defines Fraud as a deliberate act that results in a material misrepresentation in the financial statements that are the subject of an audit. Based on the results of a survey conducted by the ACFE Indonesia Chapter on 239 respondents, it shows that the most common fraud in Indonesia is corruption with a percentage of 64.4% or chosen by 154 respondents. The next type of fraud is Misuse of State and Company Assets/Assets with a percentage of 28.9% or chosen by 69 respondents, while Financial Statement fraud is 6.7% or chosen by 16 respondents.

The results of this survey are different from the 2018 Report to The Nations (RTTN) which found that the largest fraud occurred, namely asset abuse as much as 89%, followed by corruption at 38% and financial statement fraud at 10%. Based on the results of a survey conducted by ACFE, it shows that of the 239 respondents, the government is considered the organization that is most disadvantaged due to fraud. This result is consistent with the findings of the 2016 Indonesian fraud survey. As many as 48.5% of respondents stated that the institution that suffered the most due to fraud was the government. This is possible because most of the fraud cases revealed by the media in Indonesia are state-owned companies (SOEs) as much as 31.8%, followed by private



Creative Commons Attribution-ShareAlike 4.0 International License:
<https://creativecommons.org/licenses/by-sa/4.0/>

companies as much as 15.1%, non-profit organizations as much as 1.9%, and finally others at 1.7%.

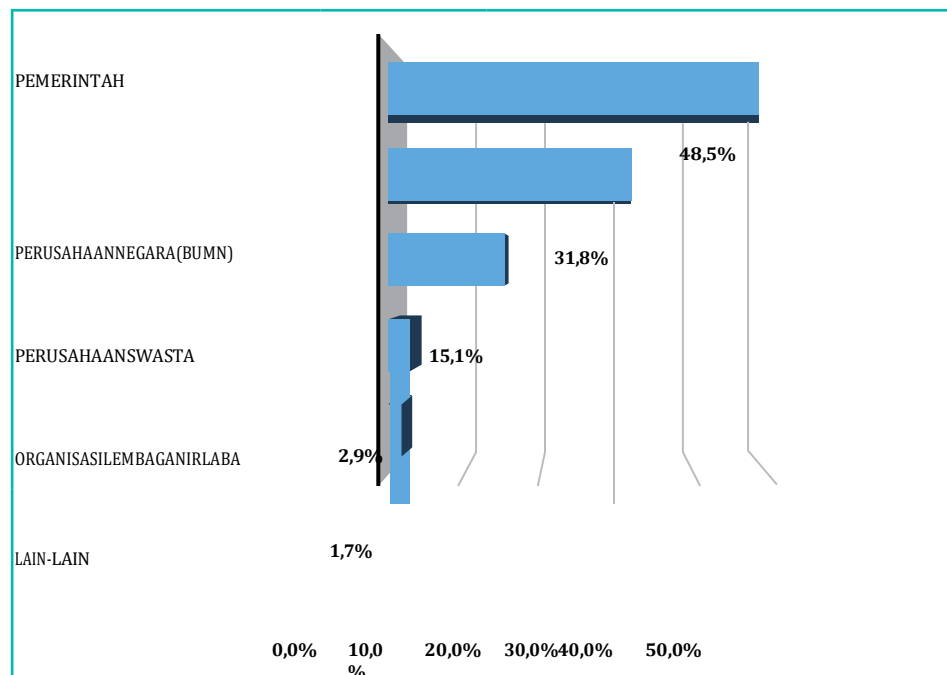


Figure 1 Agencies Harmed by Fraud
Source : Association Certified of Fraud Examiners (2019).

ACFE (2019) explains that fraudulent financial reporting is a deliberate misrepresentation in financial statements to deceive users of financial statements. Financial statement fraud can occur due to various factors. One of the factors that can cause someone to commit fraud is personal interests. Agency theory explains that the management (agent) is trusted by investors (principal) to make decisions aimed at the interests of investors (Supriyono, 2018).

Quoting KOMPAS.com (December 7, 2023) on its news page, it said that the Audit Board (BPK) found indications of fraud in the 2018-2019 period that occurred in business entities under SMGR's subsidiary (PT. Bima Sepaja Abadi). As a result of the findings of the fraud indications, the BPK said the value of potential state losses reached Rp. 18.19 trillion.

Financial statement fraud needs to be minimized because it causes decision-making errors by financial statement users because the existing financial statement information is incorrect information. Following up on the rampant fraud in financial statements, the role of auditors is urgently needed in this case. Auditors must minimize the occurrence of fraud by detecting the possibility of fraud committed by the company from various perspectives. Fraud will always occur if there is no effective prevention and detection. Auditors can carry out detection actions by using fraud theories (Yeni Kartika DN 2019). Theories that can be used to detect fraud include fraud triangle theory, diamond fraud, pentagon fraud and Hexagon fraud.

Landasan Teori Dan Hipotesis

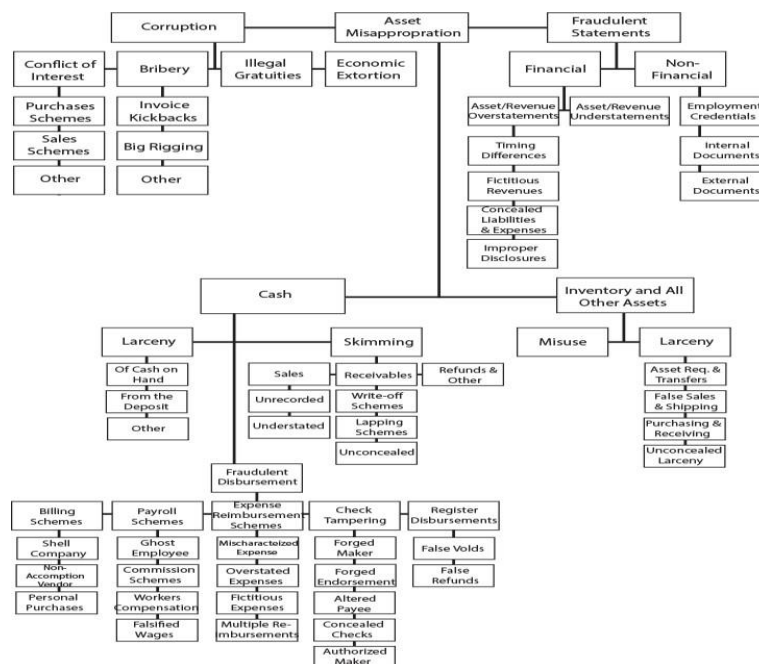
Agency Theory

The theory of agency as a contract of one or more people is that the principal uses another person (agent) to provide some services for their benefit (principal) which includes delegating some decision-making rights to the agent (Jensen and Meckling,

1976). The principle assumes that the agent can do what is best for the principal's interests. But in reality, both parties have a relationship to maximize their respective satisfactions, which is why the principal has reasons not to always believe that the agent is acting in accordance with the principal's interests (Jensen and Meckling, 1976).

Fraud

Fraud can also be interpreted as theft based on article 362 of the Criminal Code, extortion and threats based on article 368 of the Criminal Code, embezzlement based on article 372 of the Criminal Code, fraudulent acts based on article 378 of the Criminal Code, harming creditors in bankruptcy under article 396 of the Criminal Code, and destroying or damaging goods based on article 406 of the Criminal Code, all of which are unlawful acts (Ahmad Al Badrus, 2017). Fraud can be defined as an illegal act or intentional act that aims to deceive another person where the person obtains a loss and the perpetrator gains (ACFE 2019).



Gambar 2 *Fraud Tree*

Sumber: Association of Certified Fraud Examiner (2019)

The fraud tree image above consists of three main branches, namely corruption, asset misappropriation, and fraudulent statement.

Corruption

Corruption in the fraud tree described earlier consists of four important branches, namely conflict of interest, bribery, illegal gratuities, and economics extortion

Asset missappropriation

Asset misappropriation or illegal taking of assets in colloquial language is called stealing. But in legal terms, taking assets illegally (illegally, or unlawfully) by an authorized person to manage or supervise these assets, it is called embezzlement (Ahmad Al Badrus).

c. Fraudulent Financial Statements

Fraudulent Financial statement is a deliberate mistake in the disclosure of financial statements made to deceive users of financial statements where the impact causes the financial statements not to be displayed in material terms,

Fraudulent Financial Reporting

Fraudulent Financial Reporting is a deliberate misrepresentation of a company's financial condition that is committed through misrepresentation and omission of amounts or disclosures in financial statements to deceive users of financial statements. Fraudulent financial reporting includes manipulation, falsification, or alteration of accounting financial records or supporting documents from financial statements that are prepared without presenting the truth or deliberately omitting events, transactions, and important information from financial statements and deliberately applying valid accounting principles (ACFE 2019).

Fraud Triangle Theory

The Fraud Triangle theory was first introduced by Cressey (1953) which according to him when fraud occurs there are 3 situations that are always present, namely pressure, opportunity, and rationalization.

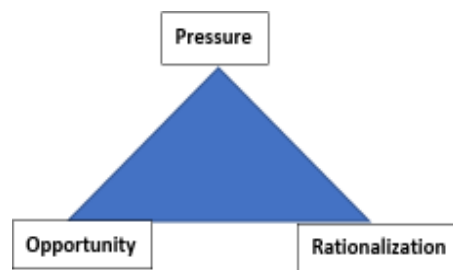


Figure 3. Fraud Triangle

Source : Donald R Cressey (1953)

Teori Fraud Diamond

This theory was originally proposed by David T Wolfe and Dana R Hemarson where they added one element of the fraud triangle theory, namely the element of capability. Capability refers to an individual's capacity to perform various tasks in a job (Robbins, 2008). David T Wolfe and Dana R Hemarson (2004) in Yeni Kartika DN (2019) stated that "many frauds, especially those worth billions, will not occur without the existence of the right people with the right abilities. Opportunities to open the door to fraud, pressure and rationalization can attract someone to commit fraud. But the person must have the ability to recognize an opportunity as an opportunity and take advantage of

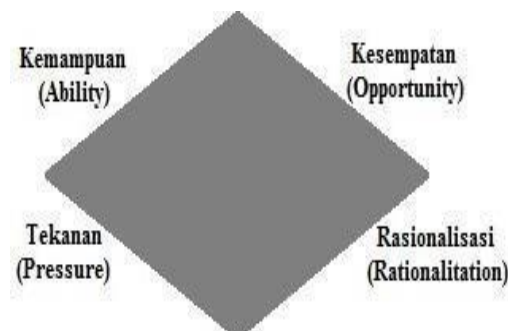
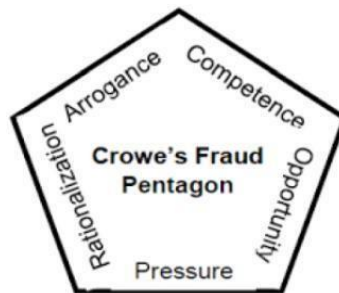


Figure 4. Teori Fraud Diamond

Source : Wolfe dan Hermason (2004)

Teori *Fraud Pentagon*

This theory is a newer theory that explores more deeply about the factors that trigger fraud (Crow's fraud pentagon theory). This theory was put forward by Crowe Howard in 2011 where he added another factor, namely arrogance. Howard argues that arrogance can have a bad impact on companies and people, because it can destroy the career or company. According to Aprilia (2017) in Ratna Dewi Agustina and Budi Pratomo (2019), pentagon's fraud has a broader fraud scheme and involves manipulation carried out by the CEO or CFO. On this basis, Crowe Howard added the arrogant factor to the factors that trigger fraud.



Gambar 5. Teori Fraud Pentagon
Sumber : Crowe Howard (2011)

Teori *Fraud Hexagon*

Hexagon Fraud Theory is the most recent theoretical development proposed by Vousinas (2019). As time goes by with the development of theories that continue to be updated, the Hexagon theory is increasingly complex to detect fraud. This theory adds a new element, namely collusion. The factors contained in the Hexagon Fraud Theory are six factors, which are as follows:

Stimulus

Stimulus is pressure to commit fraud and is financial and financial (Vousinas, 2019). According to SAS No. 99 in Charity Healtha Parametric Istanto (2022), there are four pressure factors that cause a person to be involved in fraud, including: Financial Stability.

$$\text{ACHANGE} = \frac{\text{Total Aset}(t) - \text{Total Aset}(t-1)}{\text{Total Aset}(t-1)}$$

It is a state that describes the company's finances in a stable state. The assessment of the stability of a company's financial condition can be seen from how its assets are in condition. which can be calculated by the formula.

a. Financial Target

It is the amount of profit that must be obtained for the effort incurred to get the profit. One of the measures of the level of profit obtained by a company for the business incurred is Return on Assets (ROA). with the formula

$$\text{ROA} = \frac{\text{Net income before Extraordinary item}(t)}{\text{Total Asset}(t)}$$

External Pressure

$$LEV = \frac{Kewajiban}{Total Aset}$$

It is excessive pressure for management to meet the requirements or expectations of third parties. To overcome these difficulties, companies need additional sources of external financing to remain competitive, calculated by the formula:

Personal Financial Situation

It is a pressure experienced by management due to the instability factor of a company's performance. Personal financial needs can be seen from the ownership of shares owned by executives or insiders which can increase the control of a company.

Opportunity

Opportunity is an opportunity to commit fraud (Vousinas, 2019). The gaps arise due to weak control, abuse of authority, or lack of supervision. The factors that indicate the opportunity that causes someone to be involved in fraud include: hgh

Ineffective Monitoring

$$BDOUT = \frac{\text{Jumlah Dewan Komisaris Independen}}{\text{Jumlah total dewan komisaris}}$$

This study measures ineffective monitoring with the ratio of the number of independent board of commissioners (BDOUT) which is calculated by the formula:

a. *Quality of External Audit*

The size of the KAP is a benchmark for the quality of the company's financial statements. Lennox & Pttman (2010) in Ima Mukaromah et al. (2021) stated that external auditors at big four audit firms are better able to detect fraud than non-big four audit firms. In a study, it can be measured using dummy variables.

b. *Effective Monitoring*

It is a situation where the company has an effective supervisory unit to monitor the performance of the company's management. *Nature of industry*

It is the ideal state of a company in the industry. Accounts receivable is a form of nature of industry that can be responded to with different reactions from each company manager. Calculated by the formula:

$$RECEIVABLE = \frac{\text{Receivable (t)}}{\text{Sales (t)}} \frac{\text{Receivable (t-1)}}{\text{Sales (t-1)}}$$

c. *Capability*

It is an individual skill in playing a major role regarding whether fraud can really occur. The factors that show capability that cause someone to be involved in fraud include:

a. *Change in Director*

The change of directors will cause a stress period that has an impact on the formation of more opportunities to commit fraud.

b. *CEO education*

Eisenhardt (1989) in Natasya Octaviana (2022) explained that there is an assumption that states that a person can have a more self-centered nature without educating CEO education. The ability to do various forms of fraud and for calculation in a study can use dummy variables.

c. CEO tenure

it is the tenure of a CEO in a company that can show the level of loyalty of the CEO in the company (Salsabila Amajida Hermanda, 2022).

d. CEO age

If the CEO's age is getting older and his control is better, then he will be more mature and calm in planning fraud (Salsabila Amajida Hermanda, 2022).

d. Rationalization

It is the behavior of a person in justifying the fraudulent act committed and believing that the behavior carried out is reasonable. Factors that indicate rationalization that causes someone to commit fraudulent acts include:

a. Total Accrual Ratio

The total accrual to asset ratio (TATA) is useful for estimating the extent to which it is used as a basis for reporting income. The TATA ratio can be useful to show rationalization regarding management using the accrual principle which will affect financial statement fraud and can be measured by the formula

:

$$TATA = \frac{\text{Total Akrual}}{\text{Total Aset}}$$

b. Auditor Change

It is an effort to eliminate traces of fraud (fraud trial) found by previous auditors. This trend encourages companies to replace its independent auditor to cover up fraud in the company (Sekar Akrom Faradiza, 2022)

Collusion

According to Vousinas (2019), collusion refers to an agreement to deceive or an agreement between two or more persons, for one party to commit an act against another person for some malicious purpose to defraud a third party of its rights. Here are some factors that show collusion that causes someone to commit fraudulent acts, including:

Political Connections

It is the relationship between company executives and politicians, government and public officials. Politically affiliated companies will receive assistance in the form of bank loans, obtaining employment contracts through the government.

State-Owned Enterprises

Natasya Octaviana (2022) explained that State-Owned Enterprises are State-owned companies engaged in various sectors of the Indonesian economy with the aim of improving the welfare of the Indonesian people. Management as an agent is in charge of every principal's orders, including in terms of seeking a lot of profit for the company.

Projects with the Government

Cooperation between companies and the government will provide benefits to companies such as easier to bail out the government when experiencing financial difficulties.

Ego

It is the interaction between what a person wants and what allows him or her conscience to do it. To achieve what he wants (Vousinas, 2019). Here are some factors that show Ego (Arrogance) that causes someone to commit fraudulent acts, including:

CEO Duality

CEO Duality is the dominance of the power of the CEO or a person who holds the position of CEO as well as a member of the board of commissioners. According to Howart (2011), CEO Duality reflects an attitude of arrogance, superiority and greed that is potentially ineffective in corporate policies.

The Frequent er of CEO's Pictures

It is the number of CEO photos displayed in the company's annual report.

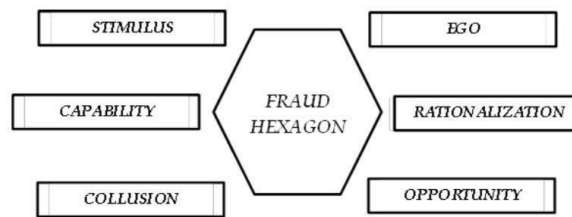


Figure 6. Teori Fraud Hexagon

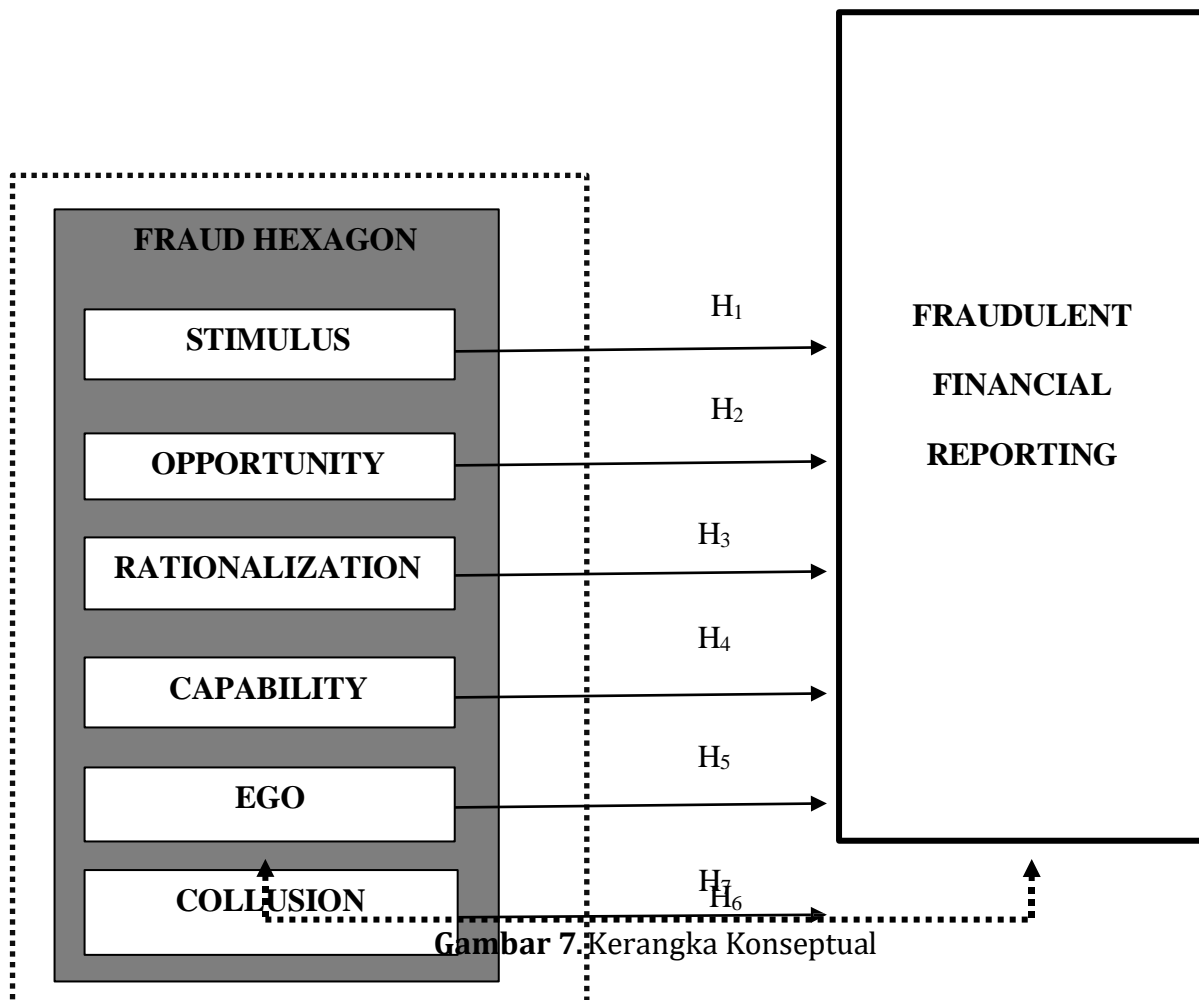
Source : Vousinas (2019)

Beneish M-score

Beneish M-score dikembangkan pada tahun 1999 oleh profesor Universitas Indiana, Messod D Beneish. Menurut Charlie Tian (2017) dalam Yeni Kartika DN (2019) Beneish M- score adalah “Beneish M-score checks the quality of reported earnings and is an indicator that measures if the company manipulates its earnings. A higher score indicates that the company might be manipulating its earnings”. Beneish M-score meliputi 8 indikator yaitu (CFA Institute,2018) :Days sales in receivables index (DSRI).

- a. *Gross margin index (GMI).*
- b. *Asset quality index (AQI).*
- c. *Sales growth index (SGI).*
- d. *Depreciation index (DEPI).*
- e. *Sales, general, and administrative expense index (SGAI).*
- f. *Accruals/total accruals to total asset index (TATA).*
- g. *Leverage index (LEVI).*

Conceptual framework.



Hypothesis formulation

Based on the conceptual framework, the hypotheses in this study are:

H1 : The effect of stimulus on fraudulent financial reporting.

H2 : Effect of opportunity on fraudulent financial reporting

H3: The effect of rationalization on fraudulent financial reporting.

H4 : Effect of capability on fraudulent financial reporting

H5: The influence of ego on fraudulent financial reporting.

H6 : The effect of collusion on fraudulent financial reporting.

H7: Effect of stimulus, opportunity, rationalization, capability, Ego, and collusion, on fraudulent financial reporting

METHODS

Research Object

These are companies that are members of the 2018-2022 Business-27 Index obtained on the www.idx.co.id site.

Type of Research

The type of research used in this research is a quantitative method.

Data Sources and Data Collection Techniques

In this study, the data used is secondary data because in obtaining data using time series data. Data collection techniques by observation, literature, manual search.

Population and Sample.

The population in this study is LQ 45 companies listed on the Indonesia Stock Exchange in 2023. The sample in this study went through the Purposive Sampling process, namely by judgement sampling technique. Sample criteria are as follows: Business-27 Index Companies listed on the Indonesia Stock Exchange consecutively in 2018-2022.

Business-27 Index companies that are not listed on the Indonesia Stock Exchange consecutively in 2018-2022.

Business-27 Index companies that use the Rupiah currency in their annual financial reports for 2018-2022.

Tabel 1
Population and Sample

No	Kriteria	Jumlah
1	Business-27 Index Companies listed on the Stock Exchange Indonesian Securities in 2018-2022	27
2	Business-27 Index companies that are not listed on the Indonesia Stock Exchange consecutively in 2018-2022.	(16)
3	Business-27 Index companies that use Foreign currencies in financial reporting for 2018-2022	0
4	Number of Research Samples	11
5	Total Pengamatan (11 x 5)	55

Source : Data processed by researchers (2024)

RESULTS AND DISCUSSION

Table 2. Descriptive statistical results

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
ACHANGE	55	-.107	1.676	.13627	.242035
LEV	55	.251	.869	.55460	.214398
BDOUT	55	.3	.7	.435	.1350
CPA	55	0	1	.11	.315
DCHANGE	55	0	1	.65	.480
CEOPIC	55	1		2.91	.674
COL	55	0	1	.55	.503
M-SCORE	55	0	1	.18	.389
Valid N (listwise)	55				

Sumber : data diolah peneliti (2024)

Analisis Regresi Logistik

Regression Model Feasibility Test Results

Tabel 3. Regression Model Feasibility Test Results

Hosmer and Lemeshow Test			
Step	Chi-square	df	Sig.
1	1.079	7	.993

Source : data processed by researchers (2024)

The test results showed that the significant value of the Hosmer and Lemeshow Goodness of Fit Test was greater than 0.05, which was 0.993. This shows that the research model can be said to meet the feasibility assumption because the data observed with the prediction model does not have a significant difference

Overall Model Test Results

Overall Model Test Results

Iteration History ^{a,b,c}									
Iteration		-2 Log likelihood	Coefficients						
			ACHA NGE	LEV	BDOUT	CPA	DCHA NGE	CEOPIC	COL
Step 1	1	43.698	2.024	2.128	-1.574		.367	-.737	-.190
	2	39.651	3.202	3.694	-1.956	-.301	.891	-1.314	-.167
	3	38.452	4.326	4.434	-1.576	-.454	1.562	-1.850	-.082
	4	38.189	5.132	4.627	-1.040	-.552	2.143	-2.226	-.048
	5	38.167	5.368	4.637	-.792	-.578	2.403	-2.370	-.046
	6	38.167	5.388	4.633	-.760	-.579	2.436	-2.386	-.047
	7	38.167	5.388	4.633	-.760		2.436	-2.386	-.047

a. Method: Enter
b. Initial -2 Log Likelihood: 76.246
c. Estimation terminated at iteration number 7 because parameter estimates changed by less than .001.

Sumber : Data diolah peneliti (2024).

In the table of the results of the initial -2Log Likelihood test, the value is 76.246. In the table of the results of the -2 test, the final Likelihood log shows a value of 38.167. The results of the study showed a decrease in results where the initial -2Log Likelihood value was 76.246 to 38.167, which means that there was a decrease in value of 38.079.

Occurrence of a decrease in value

-2Likelihood logs show that the regression model used is good (Meyers, 2006).

Individual Parameter Significance Test

Tabel 4
Results of Individual Parameter Significance Test

		Variables in the Equation					
		B	S.E.	Wald	df	Sig.	Exp(B)
Step 1 ^a	ACHANGE	5.360	3.809	1.980	1	.159	212.680
	LEV	4.495	4.578	.964	1	.326	89.551
	BDOUT	-.525	6.149	.007	1	.932	.591
	CPA	-.558	1.518	.135	1	.713	.572
	DCHANGE	2.510	2.328	1.162	1	.281	12.300
	CEOPIC	-2.420	1.188	4.151	1	.042	.089
	COL	-.039	1.013	.001	1	.969	.962
a. Variable(s) entered on step 1: ACHANGE, LEV, BDOUT, CPA, DCHANGE, CEOPIC, COL.							

Source : Data processed by researchers (2024)

The above test shows the value of the beta coefficient which is then incorporated into the logistic regression model so that the logistic regression model becomes as follows: $FRAUD = 12,621 + 5,360 ACHANGE + 4,495 LEV - 0.525 BDOUT - 0.558 CPA + 2,510 DCHANGE - 2,420 CEOPIC - 0.039 COL + \varepsilon$

Based on the table above, it is known that there is an influence of one independent variable on the dependent variable in this study. The following is an exploration of each test result from each independent variable: Pengaruh stabilitas keuangan terhadap *fraudulent financial reporting*.

1. The results of the financial stability variable test have a significance value of 0.159 where the value is greater than 0.05.
2. The effect of external pressure on fraudulent financial reporting.
3. The results of the external variable test have a significance value of 0.326 where the value is greater than 0.05,
4. The effect of inefficiencies in supervision on fraudulent financial reporting.
5. The results of the test of the supervisory inefficiency variable have a significance value of 0.932 where the value is greater than 0.05.
6. The effect of auditor change on fraudulent financial reporting.
7. The results of the test of the auditor turnover variable have a significance value of 0.713 where the value is greater than 0.05.
8. The effect of auditor change on fraudulent financial reporting.
9. The results of the auditor turnover variable test have a significance value of 0.281 where this value is greater than 0.05.
10. The effect of CEO frame rate on fraudulent financial reporting.
11. The results of the CEO frame rate variable test have a significance value of 0.042 where this value is less than 0.05.
12. The influence of government cooperation on fraudulent financial reporting.
13. The results of the test of the government cooperation variable have a significance value of 0.969 where this value is greater than 0.05

Tabel 1
Individual Significance Test Results

No	Variabel Independen	Variabel Dependen	Hasil Pengujian
1	Stabilitas Keuangan(ACHANGE)	<i>Fraudulent Financial Reporting (FRAUD)</i>	Tidak Berpengaruh
2	Tekanan Eksternal (LEV)		Tidak Berpengaruh
3	Ketidakefisienan Pengawasan (BDOUT)		Tidak Berpengaruh
4	Pergantian Auditor (CPA)		Tidak Berpengaruh
5	Pergantian Direksi (DCHANGE)		Tidak Berpengaruh
6	Frekuensi Gambar CEO (CEOPIC)		Berpengaruh
7	Kerjasama Pemerintah (COL)		Tidak Berpengaruh

Uji signifikansi simultan

Tabel 2
Simultaneous Significance Test Results

Omnibus Tests of Model Coefficients				
		Chi-square	df	Sig.
Step 1	Step	38.079	7	<.001

Block	38.079	7	<.001
Model	38.079	7	<.001

The results of the simultaneous significance test show that the significance value of the omnibus test is 0.001. The significance value is less than 0.05 so the assumption that independent variables together are accepted

Tabel 3
Uji Koefisien Determinan

Model Summary			
Step	-2 Log likelihood	Cox & Snell R Square	Nagelkerke R Square
1	38.167 ^a	.500	.666
a. Estimation terminated at iteration number 7 because parameter estimates changed by less than .001.			

Sumber : Data diolah penelliti (2024).

The test results showed a nagelkerke R square value of 0.666. This shows that the ability of independent variables to explain the dependent variable is 66.6% while the remaining 33.4% can be explained by other factors that are not used in this study.

CONCLUSIONS

Based on the results of the analysis and discussion carried out, the conclusion is as follows:

1. The Stimulus element of the Fraud Hexagon theory has been proven to have an effect on Fraudulent Financial Reporting. This is evidenced by the significance value of the financial stability variable (ACHANGE) of $0.159 > 0.05$ and the external pressure (LEV) of $0.326 > 0.05$ which means that H1 that the Stimulus has no effect on Fraudulent Financial Reporting is accepted.
2. The Opportunity element of the Fraud Hexagon theory has no effect on Fraudulent Financial Reporting. This is evidenced by the significance value of the supervisory ineffectiveness variable (BDOUT) of $0.932 > 0.05$, which means that in H2 that Opportunity has an effect on Fraudulent Financial Reporting is rejected.
3. The Rationalization element of the Fraud Hexagon theory has no effect on fraudulent financial reporting. This is evidenced by the significance value of the auditor turnover variable (CPA) of $0.713 > 0.05$, which means that in H3 that rationalization has an effect on fraudulent financial reporting is rejected.
4. The Capability element of the Fraud Hexagon theory has no effect on fraudulent financial reporting. This is evidenced by the significance value of the variable change of directors (DCHANGE) of $0.281 > 0.05$, which means that in H4 that Capability has an effect on fraudulent financial reporting is rejected.
5. The ego element of the Fraud Hexagon theory has no effect on fraudulent financial reporting. This is evidenced by the significance value of the CEO frame rate variable of $0.042 > 0.05$, which means that H5 that Ego has an effect on fraudulent financial reporting is accepted.

6. The Collusion element of the Fraud Hexagon theory has no effect on fraudulent financial reporting. This is evidenced by the variable significance value of government cooperation of $0.969 > 0.05$, which means that H6 that Collusion has an effect on Fraudulent Financial Reporting is rejected.
7. The elements of Stimulus, Opportunity, Rationalization, Capability, Ego, and Collusion together have no effect on Fraudulent Financial Reporting. This is evidenced by the significance value of the omnibus test of $0.001 < 0.05$, which means that H7 that pressure, opportunity, rationalization, competence and arrogance together affect fraudulent financial reporting is rejected.

REFERENCE

- Agustin, Maria Dewinta, Fenni Yufantria, and Fedi Ameraldo. 2022. "Pengaruh Fraud Hexagon Theory Dalam Mendeteksi Kecurangan Laporan Keuangan (Studi Kasus Pada Perusahaan Asuransi Yang Terdaftar Di Bursa Efek Indonesia Periode 2017-2020)." *Journals of Economics and Business* 2(2): 47–62.
- Alifa, Rana, and Mia Ika Rahmawati. 2022. "Analisis Teori Hexagon Fraud Sebagai Pendeteksi Financial Statement Fraud." *Jurnal Ilmu dan Riset Akuntansi* 11(6): 1–25.
- Association of Certified Fraud Examiners Indonesia. 2019. "Survei Fraud Indonesia 2019." *Indonesia Chapter #111* 53(9): 1–76. <https://acfe-indonesia.or.id/survei-fraud-indonesia/>.
- Brianta Ginting, Dhanka. 2023. "Analisis Pengaruh Fraud Hexagon Terhadap Fraudulent Financial Reporting Menggunakan Metode Beneish M-Score." *Diponegoro Journal of Accounting* 12(3): 1–15. <http://ejournal-s1.undip.ac.id/index.php/accounting>.
- Dewi, Cindy Kartika, and Anik Yuliati. 2022. "Pengaruh Fraud Hexagon Terhadap Kecurangan Laporan Keuangan (Studi Empiris Pada Perusahaan Makanan Dan Minuman Yang Terdaftar Di BEI)." *Jurnal Riset Terapan Akuntansi* 6(2): 115–28. <https://jurnal.polsri.ac.id/index.php/jrtap/article/view/4645>.
- Faradiza, Sekar Akrom. 2019. "EkBis: Jurnal Ekonomi Dan Bisnis Sekar Akrom Faradiza." *Fraud Pentagon Dan Kecurangan Laporan Keuangan* 2(1): 1–22.
- Fernando, A. 2022. "Analisis Pengaruh Hexagon Fraud Theory Terhadap Kecurangan Laporan Keuangan (Studi Kasus Pada Perusahaan BUMN Yang Terdaftar Di BEI Tahun 2017-2019)"
- Fouziah, Selvi, Suratno Suratno, and Syahril Djaddang Djaddang. 2022. "Relevansi Teori Fraud Hexagon Dalam Mendeteksi Fraudulent Financial Statement Pada Perusahaan Sektor Perbankan." *Substansi: Sumber Artikel Akuntansi Auditing dan Keuangan Vokasi* 6(1): 59–77.
- Gultom, Amalia. 2023. "Pengaruh Fraud Hexagon Theory Terhadap Kecurangan Laporan Keuangan Pada Perusahaan Sektor Kesehatan Yang Terdaftar Di Bursa Efek Indonesia Tahun 2017-2021." 2(2): 767–81.
- Hernanda, Salsabila Amajida. 2022. "Pengaruh Fraud Hexagon Terhadap Potensi Kecurangan Laporan Keuangan Menggunakan Beneish M Score Model (Studi Empiris Pada Perusahaan Infrastruktur Yang Listing Di BEI 2018 – 2020)." *Skripsi* 2(4): 137. <http://repository.upi.edu/id/eprint/85520>.
- Istanto, Charity Healtha Parametric. 2022. "Analisis Pengaruh Hexagon Fraud Terhadap Kecurangan Laporan Keuangan." *Skripsi*: 1–132.
- Jihan Octani, Anda Dwiharyadi, and Dedy Djefris. 2022. "Analisis Pengaruh Fraud Hexagon Terhadap Fraudulent Financial Reporting Pada Perusahaan Sektor Keuangan Yang Terdaftar Di Bursa Efek Indonesia Selama Tahun 2017-2020." *Jurnal Akuntansi, Bisnis dan Ekonomi Indonesia (JABEI)* 1(1): 36–49.
- Kusumosari, Larassanti. 2020. "Analisis Kecurangan Laporan Keuangan Melalui Fraud

- Hexagon Pada Perusahaan Manufaktur Yang Terdaftar Di Bursa Efek Indonesia Tahun 2014-2018.” *Universitas Negeri Semarang*: 1–243.
- Larum, Kordi, Diana Zuhroh, and Edi Subiyantoro. 2021. “Fraudlent Financial Reporting: Menguji Potensi Kecurangan Pelaporan Keuangan Dengan Menggunakan Teori Fraud Hexagon.” *AFRE (Accounting and Financial Review)* 4(1): 82–94.
- Maulina, Neneng Sherly, and Zumratul Meini. 2023. “Pengaruh Fraud Hexagon Terhadap Fraudulent Financial Statement.” *Jurnal Akuntansi Universitas Jember* 21(2): 97.
- Miftahul Jannah, Vika, Andreas Andreas, and M. Rasuli. 2021. “Pendekatan Vousinas Fraud Hexagon Model Dalam Mendeteksi Kecurangan Pelaporan Keuangan.” *Studi Akuntansi dan Keuangan Indonesia* 4(1): 1–16.
- Mukaromah, Ima, and Gideon Setyo Budiwitjaksono. 2021. “Fraud Hexagon Theory Dalam Mendeteksi Kecurangan Laporan Keuangan Pada Perbankan Yang Terdaftar Di Bursa Efek Indonesia Tahun 2015-2019.” *Jurnal Ilmiah Komputerisasi Akuntansi* 14(1): 61–72. <http://journal.stekom.ac.id/index.php/kompak> page61.
- Nuralifia, Yasmin Rifdah. 2023. “Pengaruh Fraud Hexagon Model Terhadap Fraudulent Financial Statements Pada Perusahaan Perbankan Listing Di BEI 2020-2021.” : 1–110.
- Nurbaiti, Annisa, and Cesis Rahmi Afina Triani. 2023. “Pengaruh Faktor-Faktor Fraud Hexagon Theory Terhadap Kecurangan Laporan Keuangan Di Perusahaan Sub Sektor Farmasi Yang Terdaftar Di BEI Tahun 2014-2021.” *EKOMBIS REVIEW: Jurnal Ilmiah Ekonomi dan Bisnis* 11(1): 205–12.
- Octaviana, Natasya. 2022. “Analisis Elemen-Elemen Fraud Hexagon Theory Sebagai Determinan Fraudulent Financial Reporting.” *Jurnal Akuntansi* 11(2): 106–21.
- Permatasari, Ditya. 2021. “Fraud Pentagon Sebagai Alat Pendeteksi Financial Statement Fraud : Literatur Review.” *Jurnal Ilmiah Mahasiswa Ekonomi Akuntansi (JIMEKA)* 6(4): 1.
- Putra, I Made, and Nyoman Dewi. 2022. “Pengaruh Elemen Fraud Hexagon Terhadap Kecurangan Akuntansi Pada Badan Usaha Milik Desa Di Kabupaten Buleleng.” *Jurnal Ilmiah Akuntansi dan Humanika* 12(2): 339–53.
- Sagala, Samuel Gevanry, and Valentine Siagian. 2021. “Pengaruh Fraud Hexagon Model Terhadap Fraudulent Laporan Keuangan Pada Perusahaan Sub Sektor Makanan Dan Minuman Yang Terdaftar Di BEI Tahun 2016-2019.” *Jurnal Akuntansi* 13(2): 245–59.
- Sari, Shinta Permata, and Nanda Kurniawan Nugroho. 2020. “Financial Statements Fraud Dengan Pendekatan Vousinas Fraud Hexagon Model.” *1st Annual Conference of Ihtifaz: Islamic Economics, Finance, and Banking*: 409–30.
- Setyono, Didi, Eko Hariyanto, Sri Wahyuni, and Bima Cinintya Pratama. 2023. “Penggunaan Fraud Hexagon Dalam Mendeteksi Kecurangan Laporan Keuangan.” *Owner* 7(2): 103648.
- Suryandari, Erni, and Lisdi Valentin Pratama. 2021. “Determinan Fraud Dana Desa: Pengujian Elemen Fraud Hexagon, Machiavellian, Dan Love of Money.” *Reviu Akuntansi dan Bisnis Indonesia* 5(1): 55–78.
- Wilantari, Ni Made, and Dodik Ariyanto. 2023. “Determinan Fraud Hexagon Theory Dan Indikasi Financial Statement Fraud.” *E-Jurnal Akuntansi* 33(1): 87.
- Winatasari, Yeni. 2023. “Fraud Hexagon Sebagai Pendeteksi Fraudulent Financial Statement Yeni Winatasari.” *Jurnal Ilmiah Akuntansi* 4(1): 122 <https://jurnaluniv45sby.ac.id/index.php/akuntansi/article/view/780%0Ahttps://jurnaluniv45sby.ac.id/index.php/akuntansi/article/download/780/747>.